

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MAINE  
Southern DIVISION

In re: QAD INVESTMENTS, INC.

§ Case No. 18-20010

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Debtor(s)

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TRUSTEE'S FINAL REPORT (TFR)

The undersigned trustee hereby makes this Final Report and states as follows:

1. A petition under Chapter 7 of the United States Bankruptcy Code was filed on 01/16/2018. The undersigned trustee was appointed on 01/17/2018.

2. The trustee faithfully and properly fulfilled the duties enumerated in 11 U.S.C. §704.

3. All scheduled and known assets of the estate have been reduced to cash, released to the debtor as exempt property pursuant to 11 U.S.C. § 522, or have been or will be abandoned pursuant to 11 U.S.C. § 554. An individual estate property record and report showing the disposition of all property of the estate is attached as **Exhibit A**.

4. The trustee realized the gross receipts of \$ 685,839.70

Funds were disbursed in the following amounts:

Payments made under an interim distribution	<u>478,127.48</u>
Administrative expenses	<u>69,573.98</u>
Bank service fees	<u>413.55</u>
Other payments to creditors	<u>0.00</u>
Non-estate funds paid to 3rd Parties	<u>0.00</u>
Exemptions paid to the debtor	<u>0.00</u>
Other payments to the debtor	<u>0.00</u>
Leaving a balance on hand of <sup>1</sup>	\$ <u>137,724.69</u>

The remaining funds are available for distribution.

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<sup>1</sup>The balance of funds on hand in the estate may continue to earn interest until disbursed. The interest earned prior to disbursement will be distributed pro rata to creditors within each priority category. The trustee may receive additional compensation not to exceed the maximum compensation set forth under 11 U.S.C. § 326(a) on account of the disbursement of the additional interest.

5. Attached as **Exhibit B** is a cash receipts and disbursements record for each estate bank account.

6. The deadline for filing non-governmental claims in this case was 05/29/2018 and the deadline for filing governmental claims was 07/15/2018. All claims of each class which will receive a distribution have been examined and any objections to the allowance of claims have been resolved. If applicable, a claims analysis, explaining why payment on any claim is not being made, is attached as **Exhibit C**.

7. The Trustee's proposed distribution is attached as **Exhibit D**.

8. Pursuant to 11 U.S.C. § 326(a), the maximum compensation allowable to the trustee is \$36,405.78. To the extent that additional interest is earned before case closing, the maximum compensation may increase.

The trustee has received \$0.00 as interim compensation and now requests the sum of \$36,405.78, for a total compensation of \$36,405.78<sup>2</sup>. In addition, the trustee received reimbursement for reasonable and necessary expenses in the amount of \$0.00 and now requests reimbursement for expenses of \$0.00 for total expenses of \$0.00<sup>2</sup>.

Pursuant to Fed R Bank P 5009, I hereby certify, under penalty of perjury, that the foregoing report is true and correct.

Date: 06/25/2019

By: /s/ Nathaniel R. Hull  
Trustee

**STATEMENT:** This Uniform Form is associated with an open bankruptcy case, therefore, Paperwork Reduction Act exemption 5 C.F.R. §1320.4(a)(2) applies.

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<sup>2</sup>If the estate is administratively insolvent, the dollar amounts reflected in this paragraph may be higher than the amounts listed in the Trustee's Proposed Distribution (Exhibit D)

**Form 1****Individual Estate Property Record and Report**

Exhibit A

Page: 1

**Asset Cases****Case No.:** 18-20010**Trustee Name:** (390130) Nathaniel R. Hull**Case Name:** QAD INVESTMENTS, INC.**Date Filed (f) or Converted (c):** 01/16/2018 (f)**§ 341(a) Meeting Date:** 02/16/2018**For Period Ending:** 06/25/2019**Claims Bar Date:** 05/29/2018

1 Asset Description (Scheduled And Unscheduled (u) Property)  Ref. #	2 Petition/ Unscheduled Values	3 Estimated Net Value (Value Determined By Trustee, Less Liens, Exemptions, and Other Costs)	4 Property Formally Abandoned OA=\$554(a) abandon.	5 Sale/Funds Received by the Estate	6 Asset Fully Administered (FA)/ Gross Value of Remaining Assets
1 Casco Federal Credit Union Checking	3,000.00	3,000.00		0.00	FA
2 TD Bank Checking	2,000.00	2,000.00		0.00	FA
3 134 Rochester Street Westbrook, ME Cumberland County Registry of Deeds B16965, P3 tax map 034//113 mobile home, Fee simple, Valuation Method: Tax records	66,400.00	0.00		0.00	FA
4 59 Pequawket Trail Baldwin, ME Cumberland County Registry of Deeds B15344, P48 single family, Fee simple, Valuation Method: Tax records	160,000.00	0.00		0.00	FA
5 11 Kimball Street Sanford ME York County Registry of Deeds B15420, P333 11 unit apartment building, Fee simple, Valuation Method: Tax records	216,600.00	0.00		0.00	FA
6 61 Bacon Street Biddeford, ME 04005 York County Registry of Deeds B0341, P102 Tax Map 39/115 11 unit apartment building, Fee simple, Valuation Method: Tax records	500,200.00	150,200.00		645,000.00	FA
7 Security Deposits for 61 Bacon Street in Biddeford (u)	9,950.00	9,950.00		9,950.00	FA
8 Accounts receivable	Unknown	0.00		0.00	FA
9 294 County Road Gorham, Maine Cumberland County Registry of Deeds B31116, Page 274 Gorham Tax Account 0015-0006 single family	128,700.00	0.00		0.00	FA
10* 462 Main Street Gorham, ME 04038 (U) (u) (See Footnote)	189,400.00	211,000.00		30,889.70	FA
<b>10 Assets Totals (Excluding unknown values)</b>	<b>\$1,276,250.00</b>	<b>\$376,150.00</b>		<b>\$685,839.70</b>	<b>\$0.00</b>

RE PROP# 10 Waiting on title report to determine if any value can be realized for this asset

**Form 1**

**Individual Estate Property Record and Report  
Asset Cases**

Exhibit A

Page: 2

**Case No.:** 18-20010

**Case Name:** QAD INVESTMENTS, INC.

**For Period Ending:** 06/25/2019

**Trustee Name:** (390130) Nathaniel R. Hull

**Date Filed (f) or Converted (c):** 01/16/2018 (f)

**§ 341(a) Meeting Date:** 02/16/2018

**Claims Bar Date:** 05/29/2018

**Major Activities Affecting Case Closing:**

22 MAY 2019 - submitted 2019 short year returns and request for prompt determination along with K-1 to sole shareholder. Will submit fee app for LR and then TFR

14 MAY 2019 - sent tax professional updated forms 1 and 2. Will prepare fee app for Verrill Dana and final tax filings.

30 APR 2019 - rec'd prompt determination decision back from IRS - not selected.

6 APR 2019 - master compromise approved and transaction for Gorham property approved. Made disbursements called for under that order. Will send the matter to tax professionals for final return

9 FEB 2019 - moving toward sale of 462 Main Street, Gorham, Maine property. Also, received copies of 2017 tax filings and noticed an address of 19 Preble Street, Gorham listed. Researched title and this property was in R. Glidden's individual name and was never titled in the name of QAD. Consider that matter resolved.

29 DEC 2018 - pursuing sale of 462 Main Street, Gorham, Maine. Title search reveals it is unencumbered. Secured insurance coverage and moving to sale with Tranzon. Emailed D's counsel for access.

21 AUG 2018 - security deposits paid.

31 AUG 2018 - sale closed and rec'd turnover of security deposit and accounting. Will send to buyer once funds clear my trustee account

11 JUL 2018 - Signed P&S agreement for 645,000 at close of auction with Jill Wheaton (Portsmouth, NH). Also, called Trustee Resource Group and have \$1,000,000 policy in place to and including 8/11/2018. \$1550 monthly premium.

10 JUL 2018 - have been informed multiple times through broker that City of Biddeford views the fines as "personal" to Russell Glidden and will not seek to enforce the fines against buyer. Requested that the city be present at the auction

7 JUL 2018 - Auction scheduled. Will move forward with closing.

7 APR 2018 - have bank statements and debtor agreed to get keys and tour for Mike. Will also try to get mortgage statement

19 MAR 2018 - will file motion to sell building in Biddeford.

**Initial Projected Date Of Final Report (TFR):** 03/29/2019

**Current Projected Date Of Final Report (TFR):** 10/25/2019

06/25/2019

Date

/s/Nathaniel R. Hull

Nathaniel R. Hull

**Form 2**Exhibit B  
Page: 1**Cash Receipts And Disbursements Record****Case No.:** 18-20010**Trustee Name:** Nathaniel R. Hull (390130)**Case Name:** QAD INVESTMENTS, INC.**Bank Name:** Rabobank, N.A.**Taxpayer ID #:** \*\*\_\*\*\*0517**Account #:** \*\*\*\*\*4300 Checking**For Period Ending:** 06/25/2019**Blanket Bond (per case limit):** \$12,950,000.00**Separate Bond (if applicable):** N/A

1	2	3	4		5	6	7
Trans. Date	Check or Ref. #	Paid To / Received From	Description of Transaction	Uniform Tran. Code	Deposit \$	Disbursement \$	Account Balance
08/23/18		Preferred Title and Closing obo Buyer in QAD	Net Sale Proceeds		204,920.11		204,920.11
		TD Bank, N.A.	-397,391.89	4110-000			204,920.11
		Tranzon Auction Properties	Auctioneer Commission Approved at DE 32 -\$38,700.00	3610-000			204,920.11
		Tranzon Auction Properties	Auctioneer Expenses Approved at DE 32 -\$3,988.00	3620-000			204,920.11
	{6}	Jill Wheaton (Buyer of Bacon Street)	Gross sale proceeds from sale approved at DE 32 \$645,000.00	1110-000			204,920.11
08/25/18	101	Trustee Insurance Agency	Payment for post-petition insurance (Invoice 10632)	2420-750		611.52	204,308.59
08/31/18	{7}	Russell Glidden	Receipt of Security Deposits for 61 Bacon Street in Biddeford	1229-000	9,950.00		214,258.59
08/31/18		Rabobank, N.A.	Bank and Technology Services Fees	2600-000		68.77	214,189.82
09/10/18	102	Jill Wheaton	Transfer of security deposits - Bacon Street	2500-000		9,950.00	204,239.82
09/28/18		Rabobank, N.A.	Bank and Technology Services Fees	2600-000		160.28	204,079.54
10/31/18		Rabobank, N.A.	Bank and Technology Services Fees	2600-000		184.50	203,895.04
12/29/18	103	Trustee Insurance Agency	Insurance coverage for 462 Main Street, Gorham, Maine.	2420-750		1,290.00	202,605.04
03/18/19	{10}	Bourdreau Law Office obo Adamire Enterprises, Inc	10% of the Cash Purchase Price for Gorham Property	1210-000	3,088.97		205,694.01
03/20/19	{10}	Adamire Enterprises by Treasurers Check	Balance of Purchase Price due for Gorham Property	1210-000	27,800.73		233,494.74
03/26/19	104	Tranzon Auction Properties (Gorham Sale)	Commission on the Gorham sale approved at DE 64	3610-000		13,579.46	219,915.28
03/26/19	105	Tranzon Auction Properties (Gorham Sale)	Commission on the Gorham sale approved at DE 64	3620-000		1,455.00	218,460.28
03/26/19	106	Robin Lawson and Dennis McAlister	Interim distribution of POC 2-1 approved at DE 64	7100-000		80,735.59	137,724.69

**Page Subtotals:** **\$245,759.81** **\$108,035.12**

## Form 2

Exhibit B  
Page: 2

### Cash Receipts And Disbursements Record

**Case No.:** 18-20010 **Trustee Name:** Nathaniel R. Hull (390130)  
**Case Name:** QAD INVESTMENTS, INC. **Bank Name:** Rabobank, N.A.  
**Taxpayer ID #:** \*\*-\*0517 **Account #:** \*\*\*\*\*4300 Checking  
**For Period Ending:** 06/25/2019 **Blanket Bond (per case limit):** \$12,950,000.00  
**Separate Bond (if applicable):** N/A

1	2	3	4		5	6	7
Trans. Date	Check or Ref. #	Paid To / Received From	Description of Transaction	Uniform Tran. Code	Deposit \$	Disbursement \$	Account Balance
<b>COLUMN TOTALS</b>					245,759.81	108,035.12	\$137,724.69
Less: Bank Transfers/CDs					0.00	0.00	
<b>Subtotal</b>					245,759.81	108,035.12	
Less: Payments to Debtors						0.00	
<b>NET Receipts / Disbursements</b>					<u>\$245,759.81</u>	<u>\$108,035.12</u>	

**Form 2**

Exhibit B  
Page: 3

**Cash Receipts And Disbursements Record**

**Case No.:** 18-20010  
**Case Name:** QAD INVESTMENTS, INC.  
**Taxpayer ID #:** \*\*\_\*\*\*0517  
**For Period Ending:** 06/25/2019

**Trustee Name:** Nathaniel R. Hull (390130)  
**Bank Name:** Rabobank, N.A.  
**Account #:** \*\*\*\*\*4300 Checking  
**Blanket Bond (per case limit):** \$12,950,000.00  
**Separate Bond (if applicable):** N/A

Net Receipts:	\$245,759.81
Plus Gross Adjustments:	\$440,079.89
Less Payments to Debtor:	\$0.00
Less Other Noncompensable Items:	\$0.00
Net Estate:	\$685,839.70

<b>TOTAL - ALL ACCOUNTS</b>	<b>NET DEPOSITS</b>	<b>NET DISBURSEMENTS</b>	<b>ACCOUNT BALANCES</b>
*****4300 Checking	\$245,759.81	\$108,035.12	\$137,724.69
	<b>\$245,759.81</b>	<b>\$108,035.12</b>	<b>\$137,724.69</b>

06/25/2019

Date

/s/Nathaniel R. Hull

Nathaniel R. Hull

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# Exhibit C Claims Distribution Register

Page: 1

Case: 18-20010 QAD INVESTMENTS, INC.

Claim#	Date	Pri	Claimant / UTC	/ Memo	Amount Filed	Amount Allowed	Paid to Date	Claim Balance	Proposed Payment
<b>Admin Ch. 7 Claims:</b>									
	09/10/18	200	Jill Wheaton		\$ 9,950.00	\$ 9,950.00	\$ 9,950.00	\$ 0.00	\$ 0.00
			<2500-00 Costs re Sale of Property> Post-sale recovery and turnover of tenant security deposits for Bacon Street						
	08/25/18	200	Lanman Rayne, PLLC		\$ 5,420.50	\$ 5,420.50	\$ 0.00	\$ 5,420.50	\$ 5,420.50
			<3410-00 Accountant for Trustee Fees (Other Firm)> Allowed at DE 74						
	08/23/18	200	Tranzon Auction Properties		\$ 38,700.00	\$ 38,700.00	\$ 38,700.00	\$ 0.00	\$ 0.00
			<3610-00 Auctioneer/Liquidator for Trustee Fees>						
	08/23/18	200	Tranzon Auction Properties		\$ 3,988.00	\$ 3,988.00	\$ 3,988.00	\$ 0.00	\$ 0.00
			<3620-00 Auctioneer/Liquidator for Trustee Expenses>						
	03/20/19	200	Tranzon Auction Properties (Gorham Sale)		\$ 13,579.46	\$ 13,579.46	\$ 13,579.46	\$ 0.00	\$ 0.00
			<3610-00 Auctioneer/Liquidator for Trustee Fees> Allowed commission on Gorham Sale pursuant to DE 64						
	03/20/19	200	Tranzon Auction Properties (Gorham Sale)		\$ 1,455.00	\$ 1,455.00	\$ 1,455.00	\$ 0.00	\$ 0.00
			<3620-00 Auctioneer/Liquidator for Trustee Expenses> Auctioneer expenses approved at DE 64						
	12/29/18	200	Trustee Insurance Agency		\$ 1,290.00	\$ 1,290.00	\$ 1,290.00	\$ 0.00	\$ 0.00
			<2420-75 Insurance> Insurance coverage for 462 Main Street						
	08/25/18	200	Trustee Insurance Group		\$ 611.52	\$ 611.52	\$ 611.52	\$ 0.00	\$ 0.00
			<2420-75 Insurance>						
	08/25/18	200	Verrill Dana, LLP		\$ 13,133.00	\$ 13,133.00	\$ 0.00	\$ 13,133.00	\$ 13,133.00
			<3110-00 Attorney for Trustee Fees (Trustee Firm)> Fees allowed at DE 75						
	08/25/18	200	Verrill Dana, LLP		\$ 2,029.83	\$ 2,029.83	\$ 0.00	\$ 2,029.83	\$ 2,029.83
			<3120-00 Attorney for Trustee Expenses (Trustee Firm)> Expenses allowed at DE 75						
	06/25/19	200	Nathaniel R. Hull		\$ 36,405.78	\$ 36,405.78	\$ 0.00	\$ 36,405.78	\$ 36,405.78
			One Portland Square Suite 9 Portland, ME 04102 <2100-00 Trustee Compensation> Trustee voluntarily reducing statutory commission to provide 100% to general unsecured claim						
Total for Priority 200: 100% Paid					\$ 126,563.09	\$ 126,563.09	\$ 69,573.98	\$ 56,989.11	\$ 56,989.11
Total for Admin Ch. 7 Claims:					\$ 126,563.09	\$ 126,563.09	\$ 69,573.98	\$ 56,989.11	\$ 56,989.11



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## Exhibit C Claims Distribution Register

Page: 2

**Case: 18-20010 QAD INVESTMENTS, INC.**

Claim#	Date	Pri	Claimant / UTC	/ Memo	Amount Filed	Amount Allowed	Paid to Date	Claim Balance	Proposed Payment
<b>Secured Claims:</b>									
1	05/16/18	100	TD Bank, N.A. 70 Gray Road Falmouth, ME 04105 <4110-00 Real Estate - Consensual Liens (mortgages, deeds of trust)> Claim paid in full at closing on sale of Biddeford property approved at DE 32. Claim subsequently withdrawn as having been paid in full at DE 45		\$ 381,929.67	\$ 397,391.89	\$ 397,391.89	\$ 0.00	\$ 0.00
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Total for Priority 100: 100% Paid					\$ 381,929.67	\$ 397,391.89	\$ 397,391.89	\$ 0.00	\$ 0.00
-----									
Total for Secured Claims:					\$ 381,929.67	\$ 397,391.89	\$ 397,391.89	\$ 0.00	\$ 0.00
<b>Unsecured Claims:</b>									
2	05/29/18	610	Robin Lawson and Dennis McAlister c/o Darcie P.L. Beaudin, Esq. Skelton, Taintor & Abbott 95 Main Street Auburn, ME 04210 <7100-00 Section 726(a)(2) General Unsecured Claims>		\$ 161,471.17	\$ 161,471.17	\$ 80,735.59	\$ 80,735.58	\$ 80,735.58
-----									
3	05/29/18	610	Adamire Enterprises, Inc. 95 Main Street Auburn, ME 04210 <7100-00 Section 726(a)(2) General Unsecured Claims> Claim transferred to Adamire Enterprises. Adamire Enterprises waives claim pursuant to DE 64.		\$ 195,434.56	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
-----									
Total for Priority 610: 100% Paid					\$ 356,905.73	\$ 161,471.17	\$ 80,735.59	\$ 80,735.58	\$ 80,735.58
-----									
Total for Unsecured Claims:					\$ 356,905.73	\$ 161,471.17	\$ 80,735.59	\$ 80,735.58	\$ 80,735.58
-----									
Total for Case:					\$ 865,398.49	\$ 685,426.15	\$ 547,701.46	\$ 137,724.69	\$ 137,724.69

**TRUSTEE'S PROPOSED DISTRIBUTION**

Exhibit D

Case No.: 18-20010

Case Name: QAD INVESTMENTS, INC.

Trustee Name: Nathaniel R. Hull

**Balance on hand:** \$ 137,724.69

Claims of secured creditors will be paid as follows:

Claim No.	Claimant	Claim Asserted	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
1	TD Bank, N.A.	381,929.67	397,391.89	397,391.89	0.00

Total to be paid to secured creditors: \$ 0.00

Remaining balance: \$ 137,724.69

Applications for chapter 7 fees and administrative expenses have been filed as follows:

Reason/Applicant	Total Requested	Interim Payments to Date	Proposed Payment
Trustee, Fees - Nathaniel R. Hull	36,405.78	0.00	36,405.78
Attorney for Trustee Fees - Verrill Dana, LLP	13,133.00	0.00	13,133.00
Auctioneer Fees - Tranzon Auction Properties	38,700.00	38,700.00	0.00
Auctioneer Expenses - Tranzon Auction Properties	3,988.00	3,988.00	0.00
Insurance - Trustee Insurance Group	611.52	611.52	0.00
Insurance - Trustee Insurance Agency	1,290.00	1,290.00	0.00
Costs re Sale of Property - Jill Wheaton	9,950.00	9,950.00	0.00
Attorney for Trustee, Expenses - Verrill Dana, LLP	2,029.83	0.00	2,029.83
Accountant for Trustee Fees (Other Firm) - Lanman Rayne, PLLC	5,420.50	0.00	5,420.50
Auctioneer Fees - Tranzon Auction Properties (Gorham Sale)	13,579.46	13,579.46	0.00
Auctioneer Expenses - Tranzon Auction Properties (Gorham Sale)	1,455.00	1,455.00	0.00

Total to be paid for chapter 7 administrative expenses: \$ 56,989.11

Remaining balance: \$ 80,735.58

Applications for prior chapter fees and administrative expenses have been filed as follows:

Reason/Applicant	Total Requested	Interim Payments	Proposed Payment
None			

Total to be paid for prior chapter administrative expenses: \$ 0.00  
 Remaining balance: \$ 80,735.58

In addition to the expenses of administration listed above as may be allowed by the Court, priority claims totaling \$0.00 must be paid in advance of any dividend to general (unsecured) creditors.

Allowed priority claims are:

Claim No.	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
None				

Total to be paid for priority claims: \$ 0.00  
 Remaining balance: \$ 80,735.58

The actual distribution to wage claimants included above, if any, will be the proposed payment less applicable withholding taxes (which will be remitted to the appropriate taxing authorities).

Timely claims of general (unsecured) creditors totaling \$161,471.17 have been allowed and will be paid *pro rata* only after all allowed administrative and priority claims have been paid in full. The timely allowed general (unsecured) dividend is anticipated to be 100.0 percent, plus interest (if applicable).

Timely allowed general (unsecured) claims are as follows:

Claim No.	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
2	Robin Lawson and Dennis McAlister c/o Darcie P.L. Beaudin, Esq. Skelton, Taintor & Abbott	161,471.17	80,735.59	80,735.58
3	Adamire Enterprises, Inc.	0.00	0.00	0.00

Total to be paid for timely general unsecured claims: \$ 80,735.58  
 Remaining balance: \$ 0.00

Tardily filed claims of general (unsecured) creditors totaling \$0.00 have been allowed and will be paid *pro rata* only after all allowed administrative, priority and timely filed general (unsecured) claims have been paid in full. The tardily filed claim dividend is anticipated to be 0.0 percent, plus interest (if applicable).

Tardily filed general (unsecured) claims are as follows:

Claim No.	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
None				

Total to be paid for tardily filed general unsecured claims: \$ 0.00  
 Remaining balance: \$ 0.00

Subordinated unsecured claims for fines, penalties, forfeitures, or damages and claims ordered subordinated by the Court totaling \$0.00 have been allowed and will be paid pro rata only after all allowed administrative, priority and general (unsecured) claims have been paid in full. The dividend for subordinated unsecured claims is anticipated to be 0.0 percent, plus interest (if applicable).

Subordinated unsecured claims for fines, penalties, forfeitures or damages and claims ordered subordinated by the Court are as follows:

Claim No.	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
None				

Total to be paid for subordinated claims: \$ 0.00

Remaining balance: \$ 0.00